



## Telecom Order CRTC 2025-42

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Reference: 2021-104

Ottawa–Gatineau, 7 February 2025

*Public record: 1011-NOC2019-0372*

### **Broadband Fund – Change request – The Kativik Regional Government’s transport fibre project in Kuujjuaq, Quebec – February 2025**

#### **Summary**

Canadians need reliable, affordable, and high-quality Internet and cellphone services for every part of their daily lives.

Through its Broadband Fund, the Commission contributes to a broad effort by federal, provincial, and territorial governments to address the gap in connectivity in underserved rural, remote, and Indigenous communities across Canada.

With this order, the Commission approves the Kativik Regional Government’s request to postpone the completion date of its transport infrastructure project in Kuujjuaq, Quebec.

#### **Background**

1. In Telecom Regulatory Policy 2018-377, the Commission set out objectives and governing frameworks for the Broadband Fund. In the Application Guide appended to Telecom Notice of Consultation 2019-372, which initiated the second call for Broadband Fund applications, the Commission defined a material change as including a major change in the cost or scope of a project.
2. The Kativik Regional Government (KRG) participated in the second call. In Telecom Decision 2021-104, KRG received approval for its project. The approved project supports a project to construct and upgrade transport infrastructure in Kuujjuaq, Quebec.
3. The Commission approved KRG’s related statement of work in Telecom Order 2021-328, subject to the conditions of funding set out in Telecom Decision 2021-104.
4. Among the conditions of funding is the requirement, set out in paragraph 15 of Telecom Decision 2021-104, that any material changes to the project be approved by the Commission. An application for a material change is known as a change request.

## Change requests

5. The Application Guide appended to Telecom Notice of Consultation 2019-372 stipulated the Commission's expectation that projects be completed within three years of the funding award. Telecom Decision 2021-104 was issued on 19 March 2021, creating an expectation that this project be completed by March 2024.
6. In Telecom Order 2023-360, published 7 November 2023, the Commission approved a change request from KRG for increased funding and to delay the project's completion date. KRG sought an increase of \$7,665,539 (44.7%), bringing the total funding amount from \$17,130,457 to \$24,795,996. The company requested an extension for project completion to June 2025 due to unforeseen issues with the tendering process that have led to delays.
7. On 5 July 2024, KRG submitted a second change request. This request seeks an additional 13 months to complete the project, from June 2025 to July 2026, due to two unexpected delays. First, a wildfire advisory affected the company's ability to conduct the community consultation required for a landholding permit. Second, a new Landholding Board was then elected, requiring KRG to consult with the Board a second time before the issuance of the permit.

## Commission's analysis

8. The Commission has reviewed the materials submitted and factors described. The Commission underlines the importance of addressing connectivity gaps quickly by completing Broadband Fund projects in a timely manner.<sup>1</sup>
9. The wildfire and subsequent delays in permitting approvals are extraordinary delays that the Commission is satisfied were beyond KRG's reasonable diligence and control. The Commission also notes that KRG has made progress towards project completion by revising its tendering process and overall construction scheduling.
10. The Commission considers that, under the circumstances described above, approving the change request would satisfy the objectives identified by the approach set out in Telecom Regulatory Policy 2018-377.
11. The Commission reminds all parties that any change requests relating to material timing changes must take existing timeline expectations into account.

## Conclusion

12. The Commission approves KRG's change request and expects the company to complete the project by July 2026. All funding conditions and conditions imposed under section 24 of the *Telecommunications Act*, as set out in Telecom Decision 2021-104, continue to apply.

Secretary General

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<sup>1</sup> Detailed operational information in respect of funded Broadband Fund projects is generally treated in confidence. See Telecom Regulatory Policy 2018-377, paragraphs 405-408, and section 11 ("Confidentiality") of the Application Guide cited in paragraph 1 of this order.

## Related documents

- *Broadband Fund – Change requests – the Kativik Regional Government’s transport fibre projects in Quebec (Akulivik, Ivujivik, Kangiqsujuaq, Kuujjuaq, and Salluit)*; Telecom Order CRTC 2023-360, 7 November 2023
- *Broadband Fund – Acceptance of statement of work for the Kativik Regional Government’s transport fibre project in Quebec (Kuujjuaq)*, Telecom Order CRTC 2021-328, 1 October 2021; as amended by Telecom Order CRTC 2021-328-1, 12 May 2022
- *Broadband Fund – Project funding approval for the Kativik Regional Government’s transport fibre project in Quebec (Kuujjuaq)*, Telecom Decision CRTC 2021-104, 19 March 2021
- *Broadband Fund – Second call for applications*, Telecom Notice of Consultation CRTC 2019-372, 13 November 2019; as amended by Telecom Notices of Consultation CRTC 2019-372-1, 20 March 2020; and 2019-372-2, 27 April 2020
- *Development of the Commission’s Broadband Fund*, Telecom Regulatory Policy CRTC 2018-377, 27 September 2018